

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

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U.S. DISTRICT COURT
SAN JUAN, P.R.



Date: 12/16/2021
By: Reina Alvarez
Courtroom Deputy

UNITED STATES OF AMERICA,
Plaintiff,

v.

LUIS ARROYO-CHIQUE'S
Defendant.

INFORMATION

Crim No.: 21- 485 (SCC)

VIOLATION: 18 U.S.C. § 371
(Conspiracy)

The United States Charges:

BACKGROUND ALLEGATIONS

1. At all times material to this Indictment, unless otherwise set forth, with all dates and times alleged to be “on or about” or “in or about” and all amounts alleged to be “approximately”:

2. The Commonwealth of Puerto Rico was a self-governing Commonwealth in association with the United States of America. Puerto Rico was divided into 78 administrative divisions called municipalities. Aguas Buenas was a municipality within the Commonwealth of Puerto Rico.

3. In each of the calendar years 2016 and 2017, the Municipality of Aguas Buenas received more than \$10,000 in benefits from the United States government under federal programs involving grants, subsidies, loans, guarantees, insurance, and other forms of assistance.

4. LUIS ARROYO-CHIQUE'S was first elected Mayor of Aguas Buenas in the 2005. He served as the Mayor of Aguas Buenas until December of 2016.

5. Individual A owned and had a financial interest in a construction company, Company A.

6. Individual A owned and had a financial interest in a waste management company, Company A. Individual B owned and had a financial interest in an asphalt and paving company, Company B.

COUNT 1

Conspiracy; Federal Funds Bribery and Kickbacks
18 U.S.C. § 371

7. The preceding paragraphs of this Indictment are hereby re-alleged and incorporated in this Count.

Object of the Conspiracy

8. In the calendar year of 2016, in the District of Puerto Rico, defendant LUIS ARROYO- CHIQUE'S, a government official and agent of Aguas Buenas, did knowingly and willfully conspire and agree with Individual A, and with others known and unknown to the Grand Jury, to commit offenses against the United States, including Federal Program Bribery, that is, to corruptly solicit, demand, accept, and agree to accept for his own benefit, things of value from Individual A, intending to be influenced and rewarded in connection with any business, transaction, and series of transactions of Aguas Buenas valued at \$5,000.00 or more as opportunities arose. In 2016, the municipality of Aguas Buenas received benefits in excess of \$10,000.00 under federal programs involving grants, subsidies, loans, guarantees, insurance, and other forms of assistance. All in violation of 18 U.S.C. § 666(a)(1)(B).

Purpose of the Conspiracy

9. The purpose of the conspiracy was for defendant LUIS ARROYO-CHIQUE'S to benefit and enrich himself by corruptly soliciting, accepting, and agreeing to accept things of value, including cash payments, from Individual A in exchange for the awarding of a waste management contract to Company A.

Manner and Means of the Conspiracy

10. The manner and means by which defendant LUIS ARROYO-CHIQUE'S carried out the scheme included, but were not limited to, the following:

11. Individual B began making regular cash payments to LUIS ARROYO-CHIQUE'S on behalf of Individual A to ensure that Company A was awarded the waste management contract with the Municipality of Aguas Buenas.

Acts in Furtherance of the Conspiracy

12. In furtherance of the conspiracy, and to affect the object of the conspiracy, the following overt acts, among others, were committed in the District of Puerto Rico:

13. In 2016, LUIS ARROYO-CHIQUE'S negotiated with Individual B to receive a kickback payment of \$5,000.00 per month from Individual A in exchange for awarding a contract to Individual A's waste management company, Company A.

14. In early 2017 and until June of 2021, defendant LUIS ARROYO-CHIQUE'S began to receive and accept \$5,000.00 cash payments on a regular basis

from Individual B on behalf of Individual A in exchange for the awarding of a ten (10) year waste management contract awarded to Company A.

All in violation of 18 U.S.C. § 371.

FORFEITURE ALLEGATION
28 U.S.C. § 2461(c); 18 U.S.C. § 981(a)(1)(C)

15. The preceding paragraphs of this Information are hereby re-alleged and incorporated in this Allegation.

16. Pursuant to 28 U.S.C. § 2461(c) and 18 U.S.C. § 981(a)(1)(C), the United States gives notice to the defendant LUIS ARROYO-CHIQUÉS that in the event of a conviction for the offense charged in Count One of this Information, all property, real or personal, which represents or is traceable to the gross receipts obtained, directly or indirectly, from such offense, is subject to forfeiture.

Money Judgment

17. Defendant is notified that upon conviction, a money judgment may be imposed equal to the total value of the property subject to forfeiture.

Substitute Assets

18. Defendant is notified that in the event that property subject to forfeiture, as a result of any act or omission of Defendant,

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or

- e. has been commingled with other property that cannot be divided without difficulty,


the United States will seek to forfeit any other property of Defendant up to the total value of the property subject to forfeiture pursuant to 21 U.S.C. § 853(p), as incorporated by reference in 28 U.S.C. § 2461(c) and 18 U.S.C. § 982(b)(1).

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